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**DETERMINANTS OF FACTORS THAT INFLUENCE  
UNETHICAL ADVERTISING: A STUDY OF UUM'S  
MANAGEMENT POSTGRADUATE STUDENTS**



**SHARIZA BINTI SEMI**

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Universiti Utara Malaysia

**MASTER OF SCIENCE**  
**UNIVERSITI UTARA MALAYSIA**  
**JUNE 2016**

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UNETHICAL ADVERTISING: A STUDY OF UUM'S  
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**SHARIZA BINTI SEMI**

**UUM**  
Universiti Utara Malaysia

**Project Paper Submitted to**

**School of Business Management Universiti Utara Malaysia**

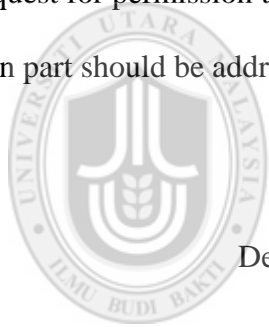
**In Partial Fulfilment of the Requirements for the Degree of Master**

**Science (Management)**

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## ABSTRACT

Nowadays, advertising industry in worldwide is experiencing fast and extraordinary changes. Commonly advertising are known to inform, persuade, and remind consumers but sometime prospect consumer's about the existence of certain product or services in the certain market. Unfortunately, advertising has become as a target to criticism for decades. Advertising can be as advantages and not to forget the harm to the company who sponsor an advertising or citizens. Many disadvantages causes by advertising such as economic harms, cultural harms, moral and religious harms, and political harms if advertiser make mistake in the process to develop advertising. Thus, the aim of the study to examine the factors that influence advertising become unethical according consumer perspective. In this research Msc Management student in University Utara Malaysia are chooses to become as respondent. The total of 246 questionnaires were distributed to Master Science Management students which are consisting of Malaysia and Internationals and it takes around two week to get back all the questionnaires that have been distributed. However, out of 246 questionnaires that have been distributed, only 155 questionnaires can be analyzed. The outcome of the study indicates that 75.9 percent of the Msc Management student's selection factor choose unethical advertising can be explained by the variable which are lack of truthfulness and honesty, offensive and surrogate advertising. Furthermore out of the three independent variables, the variables, specifically offensive advertising and surrogate advertising are found significant to be factor that have relationship why advertising become unethical while, the lack of truthfulness variable is not significant to factor that have relationship why advertising become unethical.

**Key Words** : Unethical advertising, lack of truthfulness and honesty, offensive advertising, surrogate.

## ABSTRAK

Pada masa kini, industri pengiklanan di seluruh dunia sedang mengalami perubahan yang cepat dan luar biasa. Biasanya pengiklanan bertujuan untuk memberitahu, memujuk, dan mengingatkan pengguna mahupun bakal pengguna tentang kewujudan produk atau perkhidmatan tertentu dalam pasaran tertentu. Walaubagaimanapun, pengiklanan telah menjadi sebagai sasaran kritikan selama beberapa dekad. Iklan boleh menjadi kelebihan dan keburukan kepada syarikat yang menaja pengiklanan atau kepada rakyat amnya. Banyak kelemahan disebabkan oleh pengiklanan seperti kemudharatan ekonomi, kemudharatan budaya, kemudharatan moral dan agama, dan kemudharatan politik jika pengiklan membuat kesilapan dalam proses ketika membentuk pengiklanan. Oleh itu, tujuan kajian ini adalah untuk mengkaji faktor-faktor yang mempengaruhi pengiklanan menjadi tidak beretika mengikut perspektif pengguna. Dalam kajian ini pelajar Msc Pengurusan di Universiti Utara Malaysia yang dipilih untuk dijadikan sebagai responden. Jumlah 246 soal selidik telah diedarkan kepada pelajar-pelajar Master Sains Pengurusan yang terdiri daripada pelajar Malaysia dan antarabangsa dan ia mengambil masa kira-kira dua minggu untuk mendapatkan balik semua soal selidik yang telah diedarkan. Walau bagaimanapun, daripada 246 soal selidik yang telah diedarkan, hanya 155 soal selidik boleh dianalisis. Hasil kajian menunjukkan bahawa 75.9 peratus daripada faktor pemilihan pelajar Msc Management, memilih pengiklanan yang tidak beretika dapat dijelaskan oleh pembolehubah yang tidak jujur dan benar, dan menyakitkan pengiklanan tumpang. Tambahan pula daripada tiga pembolehubah bebas, pembolehubah bagi pengiklanan menyakitkan dan pengiklanan tumpang didapati signifikan yang menjadi factor dalam hubungan mengapa pengiklanan menjadi tidak beretika, pembolehubah tidak jujur dan benar adalah bukan faktor yang mempunyai hubungan mengapa pengiklanan menjadi tidak beretika.

Universiti Utara Malaysia

Kata Kunci: Iklan tidak beretika, iklan yang tidak benar dan jujur, iklan menyakitkan, dan iklan tumpang

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## TABLE OF CONTENTS

<b>ABSTRACT</b> .....	<b>iv</b>
<b>ABSTRAK</b> .....	<b>v</b>
<b>ACKNOWLEDGEMENT</b> .....	<b>vi</b>
<b>TABLE OF CONTENTS</b> .....	<b>vii</b>
<b>LIST OF TABLES</b> .....	<b>xi</b>
<b>LIST OF FIGURES</b> .....	<b>xiii</b>
<b>LIST OF ABBREVIATIONS</b> .....	<b>xiv</b>
<b>CHAPTER 1</b> .....	<b>1</b>
1.0 Introduction .....	1
1.1 Background of the Study .....	1
1.2 Problem Statement .....	5
1.3 Research Objective .....	7
1.4 Research Questions .....	7
1.5 Scope of the Study .....	8
1.6 Significance of the Study .....	8
1.6.1 Theoretical Significance .....	8
1.6.2 Managerial Significance .....	9
1.7 Definition of Key Terms .....	9
1.7.1 Advertising .....	9
1.7.2 Unethical Advertising .....	10
1.7.3 Lack of Truthfulness and Honesty .....	10
1.7.4 Offensive .....	11
1.7.5 Surrogate .....	11
1.8 Organizations of the Study .....	11
<b>CHAPTER 2</b> .....	<b>14</b>
2.0 Introduction .....	14
2.1 Advertising .....	14
2.1.1 Advertising Industry in Malaysia .....	14
Table 2.1 .....	15
2.1.2 Ethics in Advertising .....	19



2.2	Lack of Truthfulness and Honesty .....	20
2.2.1	The Relationship between Lack of Truthfulness and Honesty and Unethical Advertising .....	22
2.3	Offensive Advertising .....	23
2.3.1	The Relationship between Offensive Advertising and Unethical Advertising.....	25
2.4	Surrogate .....	25
2.4.1	The Relationship between Surrogate Advertising and Unethical Advertising.....	26
2.5	Conclusion.....	27
<b>CHAPTER 3</b>	.....	<b>28</b>
3.0	Introduction .....	28
3.1	Research Framework .....	28
3.2	Hypothesis Development .....	29
3.3	Research Design .....	30
3.3.1	Type of Study .....	30
3.3.2	Unit Analysis.....	31
3.4	Measurement of Variable .....	32
3.5	Research Type .....	34
3.6	Instruments in the Study.....	34
3.6.1	Lack of Truthfulness and Honesty in Advertising (Independent Variable) .....	35
3.6.2	Offensive Advertising (Independent Variable).....	36
3.6.3	Surrogate Advertising (Independent Variable) .....	37
3.6.4	Unethical Advertising (Dependent Variable).....	38
3.7	Data Collection.....	40
3.7.1	Primary data .....	40
3.7.2	Questionnaire Design .....	41
3.8	Sampling Design .....	41
3.8.1	Population and Sample Size.....	41
3.8.2	Sampling Technique.....	42
3.9	Data Collection Procedure.....	42
3.9.1	Questionnaire Rate of Return.....	42
3.10	Data Analysis Techniques .....	42

3.10.1	Data Screening .....	43
3.10.1.1	Missing data .....	43
3.10.1.2	Outlier Analysis.....	44
3.11	Pilot Test.....	44
3.11.1	Reliability Analysis.....	45
3.11.2	Normality Test .....	46
3.11.3	Descriptive Statistics.....	47
3.11.4	Pearson Correlation.....	47
3.11.5	Multiple Regressions Analysis.....	49
3.12	Chapter Summary .....	49
<b>CHAPTER 4</b>	.....	<b>51</b>
4.0	Introduction .....	51
4.1	Reliability Test .....	51
4.2	Data Screening .....	52
4.2.1	Response from the Respondents .....	52
4.2.2	Missing data .....	53
4.2.3	Normality Test .....	54
4.2.4	Linearity Test .....	55
4.3	Analysis Descriptive.....	57
4.3.1	Demographic Characteristics of Respondents .....	57
4.3.2	Gender of Respondents .....	57
4.3.3	Age of the Respondents .....	58
4.3.4	Marital Status of Respondent.....	58
4.3.5	Race of Respondents .....	59
4.3.6	Years of Study of Respondents .....	60
4.4	Inferential Analysis .....	60
4.4.1	Independent Samples <i>t</i> -Test .....	60
4.4.2	One Way ANOVA .....	61
4.4.3	Correlation Analysis.....	65
4.4.4	The Regression of Analysis .....	66
4.5	Hypothesis Summary .....	69
4.6	Conclusion.....	69

<b>CHAPTER 5</b> .....	70
5.0 Introduction .....	70
5.1 Summary of the Findings .....	70
5.2 Discussion .....	71
5.2.1 Lack of Truthfulness and Unethical Advertising .....	72
5.2.2 Offensive and Unethical Advertising .....	73
5.2.3 Surrogate and Unethical Advertising .....	73
5.3 Contribution of the Study .....	74
5.3.1 Theoretical Contribution .....	74
5.3.2 Practical Contribution .....	76
5.4 Limitations of the study .....	76
5.5 Suggestions for Future Research and Recommendations .....	77
5.6 Conclusion .....	78
<b>REFERENCES</b> .....	80
<b>APPENDIX</b> .....	85



## LIST OF TABLES

<b>TABLE</b>	<b>TITLE</b>	<b>PAGE</b>
Table 1.1	Total of Advertising Expenditure in Malaysia	15
Table 3.1	Measurement Scale	32
Table 3.2	Summary of The Questionnaire Design	33
Table 3.3	Lack of Truthfulness and Honesty Advertising	35
Table 3.4	Offensive Advertising	36
Table 3.5	Surrogate Advertising	38
Table 3.6	Discriminate Use of Ad in Advertisement	39
Table 3.7	The Cronbach Alpha for Pilot Test	45
Table 3.8	Interpretation of Strength of Coefficients Correlation	48
Table 3.9	Data Analysis Technique	50
Table 4.1	Cronbach Alpha Value for Each Variables	52
Table 4.2	The Percentage of Respondents	53
Table 4.3	Summary of Skewness and Kurtosis Values of The Variables	54
Table 4.4	Gender of Respondents	57
Table 4.5	Age of Respondents	58
Table 4.6	Marital Status of Respondents	59
Table 4.7	Race of Respondents	59
Table 4.8	Years of Study Respondents	60
Table 4.9	Independent t-Test Sample	61
Table 4.10	The Differences Between Age and Unethical Advertising	62
Table 4.11	The Differences Between Marital Status and Unethical Advertising	63
Table 4.12	The Differences Between Race and Unethical Advertising	62

Table 4.13	The Differences Between Years of Study and Unethical Advertising	64
Table 4.14	The Result of Pearson Correlation Analysis	65
Table 4.15	Model Summary of Multiple Regression Analysis	66
Table 4.16	Anova	67
Table 4.17	Coefficients	68
Table 4.18	Summary of Testing Hypothesis	68



## LIST OF FIGURES

<b>FIGURE</b>	<b>TITLE</b>	<b>PAGE</b>
Figure 1.1	Chart of Total Expenditure in Malaysia 2014 and 2015	16
Figure 3.1	Research Framework	29
Figure 4.1	Diagram for Lack of Truthfulness and Honesty and Unethical Advertising	55
Figure 4.2	Diagram for Offensive Advertising and Unethical Advertising	56
Figure 4.3	Diagram for Surrogate Advertising and Unethical Advertising	56



## LIST OF ABBREVIATIONS

<b>ADEX</b>	-Advertising Expenditure
<b>ASAM</b>	-Advertising Standard Authority Malaysia
<b>AMA</b>	-American Marketing Association
<b>Msc.</b>	-Master of Science
<b>SPSS</b>	-Statistical Package for the Social Science
<b>UUM</b>	-Universiti Utara Malaysia



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# CHAPTER 1

## INTRODUCTION

### 1.0 Introduction

Chapter one is the starting paper of the research. This area will be discussed and explained about the introduction, the background of the problem, background of the study, research questions, research objective, a significance of the study and also about the scope of the study. In a simple understanding, this study is explaining about why this topic needs to examine, cause and effect, and how this topic will influence individual or citizen.

### 1.1 Background of the Study

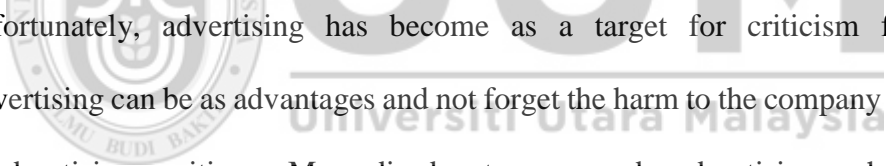
Why individual or partners create a business, of course they want to gain profit. How their will gain profit, when a business offer certain value to fulfill customer needs, wants and demand through products or services to target market (consumers). Commonly the money business gain from their sales should cover a cost of operating a business. For a successful business, firm need to make sure their product or service is accepted by a consumer or potential consumer. To make sure firm product or service are accepted by consumer, firm can use advertising as the intermediary between firm and consumer.



Nowadays, advertising industry in worldwide is experiencing fast and extraordinary changes. Commonly advertisings are tools or aids to inform (tell about new or existed goods to prospect customer), persuade (tell a customer's why they need to purchase our product), and remind (about promotion may be in term of price to prospect customer) prospect consumer's or existed customers about the existence goods in the specific market.

According to marketing expert Bovee (1992) cited by Yuan, Caulkin and Roehrig (1998 explained advertising as the non-personal communication of knowledge about products or services usually paid for and usually persuasive in nature about a product, services or ideas by identified sponsors through the different types media. Singal (2012) cited from Bruce (1983) identify advertising as a form of communication used to persuade an audience such as viewers and readers to act certain action (either buy or not buy), to products or services offers by businesses. Messages in advertising are paid by businesses and can to make certain action with respect to products or services. Advertising messages always paid by sponsors (may be businesses to advertising agencies) and can be develop using vary types of media. It depends on sponsors to choose specific kind of advertising tools such as mass media, printing media or the new one are new media (websites). Nowadays, advertising industry in worldwide is experiencing fast and extraordinary changes. Commonly advertising are tools or aids to inform (tell about new or existed goods to prospect customer), persuade (tell a customer's why they need to purchase our product), and remind (about promotion may be in term of price to prospect customer) prospect consumer's or existed customers about the existence goods in the specific market.

There are different types of advertising aids but the aim of this various media still same, to persuade targeting prospects or individual intention such as direct mail, newspaper and magazines, radio, television, outdoor advertising, and the latest types of advertising using social media. In social media, advertiser can use social website such as facebook, twitter, or instagram to advertise product or services provide by them. Using social media advertiser can advertise their product or services in low cost, faster and easier than other types of advertising media. According to marketing guru Philip Kotler (2012) advertising aims to classify whether their aim is to inform, persuade, remind or reinforce. That means that advertiser create advertising to make sure their customer know, understanding, promote or remind about company product or services.



Unfortunately, advertising has become as a target for criticism for decades. Advertising can be as advantages and not forget the harm to the company who sponsor an advertising or citizens. Many disadvantages cause by advertising such as economic harms, cultural harms, moral and religious harms, and political harms if an advertiser makes mistake in the process to develop advertising. According to Mittal (1994) cited by Singh (2007) identify advertising as tools of free market environmental, agent of promoting tools of consumers welfare. Unfortunately according to this study also stated advertising come up with sins because unethical advertising, negative advertising can give effect to community or individual. However, on the other hand, it is an array of sins ranging from an economic waste to purveying of unethical products, from sexism, fraud, and manipulation, from triviality to intellectual and moral pollution. According to research created by Amouzadeh (2002) identified advertising, not just a mirrors where display structure of social realities. For example, advertising

advertises cultural of a western country, but in Malaysia or Islamic country it not really accepted. This will create restrain to advertising create using western social realities. Nowadays marketing tools include advertising messages have develop a many of criticism for unethical in advertising. It depend on the public relief, advertising and public relief deeply have significant relationship according the way people perceive themselves and the world surrounding them, including intolerance actions. According to Clow and Baack (2007) cited by Singal (2012), ethicality and morality are identified as the guide where create control individuals and organizations, this two factor as contribution in creating a gap regarding what is acceptable and what is not in general ways.

According to research by Singh (2007) show the majority respondents are aware and notice that the judicial regulatory body to enforce ethics any kind of promoting aids. Individual or public always reject any advertising where to show a high level in sexuality and manipulating young children. Abideen and Muraleedharan (1998) cited by Singh (2007) in his research indicate that some factor creates unethical practices in advertising and others aid. The research claims that more than 76% of the customer trust advertising show in mass media contain at least one or more factor creating that advertising become unethical and cannot be accepted by individual or public in specific areas. This graph always customer or prospect customer can see in products advertising than services advertising. The result from Singal (2012) research identified an ethical factor in advertising at Indian country, become something importance. If businesses or advertising agencies want to develop and publish advertising in Indian, they must consider ethical as an importance factor. If not their will faced customer not accepted or totally reject their products or services.

This research will look for the social effect of unethical effect on advertising. It will identify how consumers will react if looked for unethical advertising and also identify the factor that what issues where a consumer will judge unethical factors in advertising.

## **1.2 Problem Statement**

With the collapse of many businesses and companies, recent research has been increasingly devoted to investigating ethical issues. This circumstance goes with the fact that the existing ethical issues are not always clear and understandable. To identify whether a behavior or decision is ethically performed, there are several ethical theories to explain what is right and what is wrong. These include relativism theory, utilitarianism theory, egoism theory, deontology theory, the divine command theory, and the virtue ethics theory. These theories are the current theoretical framework that is applied by recent research to explain an ethical phenomenon.

In this survey, we use relativism theory to identify a behavior or decision is ethically perform or not. According to Sturgeon (2009), relativism theory proposes that ethical values are relative to a particular environment or location. It discusses that moral values or ethical values can be vary according to one social cultural, geographical, demographical factor or other. It means this theory depend on where the environment and what geographical area researcher want to study. It more adaptable to geographical and the environment because relativism theory believes moral value can be different from one culture to another and from one time to another.

This research develops using relativism theory and believe that different country, a region can influence how an individual or social react to advertising where are unethical. This research wants to measure factor contribute advertising become unethical according to consumer's perspective: A study of MSC. Management students in University Utara Malaysia. In this research, we use relativism theory as the main gap to survey a perception of University Utara Malaysia students about factor contribute to unethical advertising. We believe that every religions, country had different perception about ethics depend on the environment that place such as the economy, political, power of buying behavior and other.

We construct this research to identify the factor contribute advertising become unethical because it will contribute to consumers', advertisers, marketer and not to forget also the government. In consumers perspective this survey will give protection from unsolicited, misleading and also unfair marketing practices. It also will allow consumer to generalize at least the content or form in advertising. According to Hassan (2012) identified customer buying decision always related to the content in advertising. Customers always buy the products or services that they feel they can trust and not manipulating them as a consumer. In advertisers and marketers perspective, before creating advertising this person in an organization can measure, identify and avoid the factor where can create advertising become not accepted by a prospect or regular customers cause by unethical advertising. It also can help an organization reduce the cost to create advertising where not give advantages to an organization is. Before construct advertising organization need to identify certain conditions that are necessary for the consumers.

### 1.3 Research Objective

Three primary research objectives motivate the study. Given the current literature on the unethical advertising tool are lack of truthfulness and honesty, offensive, and surrogate on the objectives are as follow:

- i. To explore the factor of lack of truthfulness and honesty advertising will consider as advertising become unethical in University Utara Malaysia.
- ii. To explore the factor of offensive advertising will consider as a factor advertising become unethical in University Utara Malaysia.
- iii. To explore the factor of surrogate advertising will consider as a factor advertising become unethical in University Utara Malaysia.



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### 1.4 Research Questions

The group of people in this study is people who are work and living in University Utara Malaysia, Kedah. The advantages of specific university will be choose are easy to researcher, can be construct in limited of time, cost reduction, capability of collecting data from a large number of respondents but more systematic. Based on the background of the study and the research problem, this research attempts to answer the following question:

- i. 1.4.1 Factors of lack of truthfulness and honesty will consider as advertising become unethical in University Utara Malaysia.

- ii. 1.4.2 Factors of offensive will consider as advertising become unethical in University Utara Malaysia.
- iii. 1.4.3 Factors of surrogate advertising will consider as advertising become unethical in University Utara Malaysia.

## **1.5 Scope of the Study**

Based on the objectives of this research, the main aim to focus on what kind of factor that can be determine as a factor advertising become unethical. This study will use students from management postgraduate in University Utara Malaysia. The researcher try to identify either this three variable have significance relationship with unethical advertising. Respondent for this research are from Universiti Utara Malaysia only due to limitation in time, costs and resources. The findings of this study might not be enough to generalize to other universities in Malaysia as each university has its own system, syllabus and program that might lead to a difference result.

## **1.6 Significance of the Study**

### **1.6.1 Theoretical Significance**

The perception about ethic in advertising has already accepted in both of the practical and educational fields in order to fulfill the advertising according consumers' perception prospectively. Previous literature found that, not many scholars have been study about the unethical advertising areas. Thus, this study have brings new findings

to contribute in current literature that can assist another researcher to conduct the next study.

### **1.6.2 Managerial Significance**

The managerial or practically significance of this study will give awareness to advertiser's about the importance to produce ethical advertising and avoid unethical advertising, because today mostly consumer would prefer to other opinion to make they satisfied with goods and services provide by seller. So, this study can provide information to businessman and marketers how they can develop their advertising without any avoided by regular or prospect consumers.

## **1.7 Definition of Key Terms**

The study covers five main elements in independent variable which are lack of truthfulness and honesty and surrogate advertising. For dependent element are unethical advertising. There are many definitions for each of the elements. However, for this specific study, the definitions of the key terms are as follow:

### **1.7.1 Advertising**

Result from Singal (2012) research identified ethical factor in advertising at Indian country, become something importance. If businesses or advertising agencies want to develop and publish advertising in Indian, they must consider ethical as an importance



factor. If not their will faced customer not accepted or totally reject their products or services.

### **1.7.2 Unethical Advertising**

According research by Singh (2007) stated, if degree of manipulating, dishonest, unrevealed information of products and services knowledge in advertising it will make human life in dangerous condition. For example if consumers take medicine that have drugs in their ingredients and this customer become overdose so customer or public can claims that advertising gives manipulating information, gives untrue information, and conceals information that vitally affects human life (negative effects of drugs), makes overstated statements, is unethical or immoral or is against broad national interest Singh (2007).

### **1.7.3 Lack of Truthfulness and Honesty**

Lack of truthfulness and honesty sometime also called false advertising develop misunderstand and misuse by regular or prospect customer. Organization that are sponsor and create advertising should control and avoid unethical concern to keep them more competitive and clean. According Maicibi et. al. (2013) stated that false advertising such as misrepresentation and corruption in advertising create more cost to organization.

#### **1.74 Offensive**

Offensive advertising sometime also called as shock advertising. It is type of advertising that are deliberately, rather than accidentally, startles and offensive viewers by breaking the norms for the social values and personal ambition. It is the work in advertising or public relations the graphic images and blunt slogan to highlight public policy issues, goods, or services.

#### **1.7.5 Surrogate**

Medical journal advertisements make claims for some products based on surrogate outcomes and does not state that these drugs do not appear to affect clinical outcomes loud. Certain medicines are approved on the basis of surrogate has subsequently had to be withdrawn from the market due to safety concerns. Changing the words in the Product Monograph requires drug manufacturer to note limits of knowledge about the products.

### **1.8 Organizations of the Study**

There are five chapters for this research paper. The summary for each chapter is as follow:

Chapter 1 focuses on background of the study and research problems. It then explains the research questions, objectives, scope of the study, and the overall structure for this study.

Chapter 2 focuses on the reviewing of past literature's that are relevant to the study. It explains the dependent variable for this study which is unethical advertising and also the independent variables which are lack of truthfulness and honesty, offensive and surrogate advertising.

Chapter 3 proposes the framework and the hypotheses for the study. Then, it presents the methodology for the study and justifies each method that has been used in this study. Besides that, this chapter also presents the population and sample of the study, data collection procedures and the designing of the instrument. Lastly, it covers the methods used for data analysis.

Chapter 4 covers the analysis of data screening and cleaning, response rate, descriptive analysis, data normality, factor analysis and reliability analysis on the research instruments. Then, it presents the application of correlation and regression analysis techniques through the use of SPSS software (version 22).

Chapter 5 discusses the findings of this research by suggesting past studies that support or not support the result for this study. Then, the researcher's justification is given to

explain the result. Finally, the chapter concludes the study and proposes future recommendations for researchers and also the related parties to this study. The limitations of this study are briefly described at the end of this chapter.



## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter will describe the specific purposes of the advertising, ethics in advertising, lack of truthfulness and honesty, offensive advertising and surrogate based on previous studies. Previous studies used as empirical evidence by researchers to obtain information needed for unethical advertising by the researchers in this study which includes a study conducted in Malaysia and outside Malaysia. The study involved two variables, namely dependent variable and independent variables. The dependent variable for this study is the unethical advertising and the dependent variable is comprised of truthfulness and honesty, offensive advertising and surrogate.


#### **2.1 Advertising**

##### **2.1.1 Advertising Industry in Malaysia**

In Malaysia, we also create interesting flow in the advertising arena. According to research by Nielsen Media Research, the total advertising expenditure (ADEX) in Malaysia around RM3229 million for 2014 and the industry continues to result in steady growth with a 4% increase to RM3344 million in 2015. In addition, advertising media by pay TV in the year 2014 reached RM1103 million and the

industries for this type of media growth dramatically around 25% increase to RM1384 million in 2015. FTA TV, unfortunately, shows a decrease in ADEX around 6% in the year 2015, where 2014 make RM730 million and 2015 decrease to RM689 million. In print media advertising industry in Malaysia also show decrease amount around 7%, where 2014 stated RM1086 million and 2015 around RM 1015 million. For radio type of media, ADEX in 2014 reached RM100 million and in 2015 around Rm101 million, where it make only 1% changes. For an online type of media ADEX in 2014 reached RM136 million however in 2015 decrease and become RM76 million, where it make 44% decreasing. Lastly for others type of media in ADEX for 2014 reached RM74 million and in 2015 around RM79 million, where it make only 7% changes.

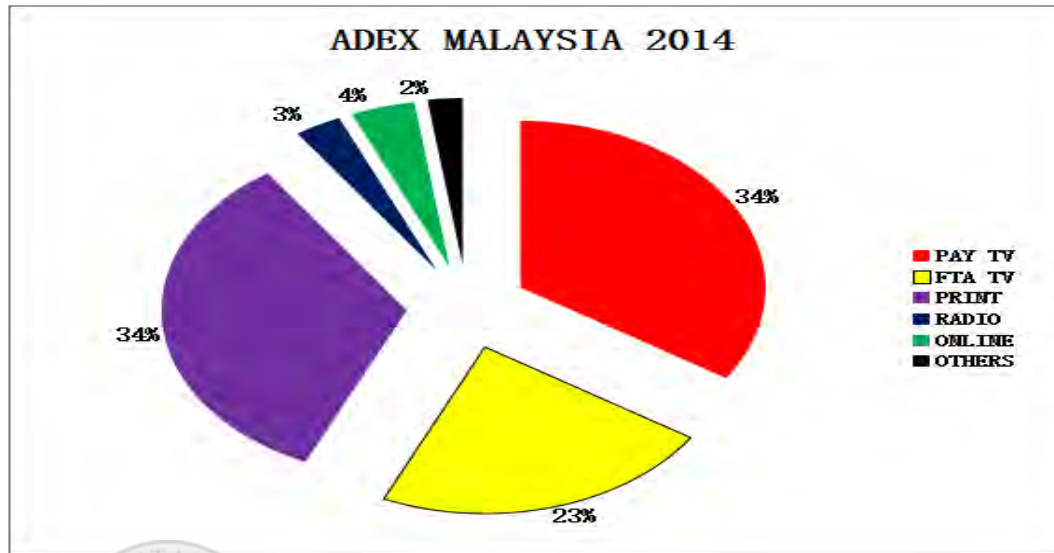
Table 2.1  
*Total of Advertising Expenditure in Malaysia*



RM	PAY	FTA	PRINT	RADIO	ONLINE	OTHERS	TOTAL
MILLION	TV	TV					
2015	1384	689	1015	101	76	79	3344
2014	1103	730	1086	100	136	74	3229
%	25	-6	-7	1	-44	7	4
CHANGE							

**Figure 2.1**

*Chart of Total Advertising Expenditure in Malaysia 2014 and 2015*



### 2.1.2 Definition of Advertising

In a simple definition, advertising is about bringing some products or services or ideas under the attention and awareness of specific customer. When using advertising, advertiser or marketer will focus on one particular product or services only. It is to avoid the message they want to give to their prospect or current customer becomes mess cannot understand. Advertising did with signs, pamphlet, commercials, and direct mailings or other. According to American Marketing Association (AMA) one institutions in America, advertising is synonym as payable of any form target to not only one individual.

The word advertising arrives from the latin word, called it “overture”. It meaning are to turn the minds of towards. So that we can say that advertising is to changes or to turn the minds of toward something (products or services). In this literature review, we identified some definitions given by various authors in their research. Philip Kotler’s (2013), guru major in marketing identified advertising as any type of paid form in presentation or promoting the idea, product, services through mass media or printed media (Magazines, radio, television or newspaper) by an identified sponsor (p.613).

According to Colley (1961) cited by Srivastava and Nandan (2010), define advertising as a mass and paid a type of communication, the major purpose is to impart information, develop an attitude and induce action that is beneficial to advertiser and marketer to increase the sale of products or services. By this definition, we can know that advertising is something that is advertise to mass prospect (such as television, newspaper and other types of promotion types of a tool) to give and provide some information about products or services by advertiser or marketer or organization (government sectors such as a social message from Jabatan Khidmat Masyarakat).

Singal and Kamra (2012) in their research identified advertising cited from Bruce (1983) Advertising is a form of communication used to persuade an audience (viewers, readers or listeners) to take some reaction such as buying or reject product advertise by an advertiser. Advertising messages are usually paid by sponsors and viewed via various type of printed media (magazines, pamphlet) mass media (television



commercial, radio advertising) new media (websites and text messages), direct mail or outdoor advertising.

According to research by Amouzadeh (2002) identified advertising, not just a mirrors where display structure of social realities. For example, advertising advertises cultural of a western country, but in Malaysia or Islamic country it not really accepted. This will create restrain to advertising create using western social realities. The conclusion from this journal the acceptance of any aid of advertising depends on local cultural norms in one place (country, regional, geographical or environment factors).

The result from a journal by Nooh, Khairi, Ab. Aziz, Abdullah, Shukor and Rashiddi (2014), were advice to advertisers and marketers should verify the level of understanding, cultural of sensitivity and other factors. However advertising messages are directed to the specific public such as to youngster, so advertiser should not influence their customer using unreality features of product or services (for example using advertising to manipulating children between the actual and the imaginary about features of the products or services).

Advertising has significant relationship on consumers' lives (Pollay 1986). In this study, researcher stated that advertising has two impacts (either positive or negative side). For positive side advertising creates detailed information, avoid harmful behaviors, and make individual more participation in social beneficial behaviors. However for another side advertising can develop misled, avoiding consumer,

irritating feelings, health, and environment disaster. Generally, advertising can give many effect and impacts in our daily life. Unfortunately, we are unprotected to much more advertisements and advertisers messages every day.

### **2.1.2 Ethics in Advertising**

According to result stated in a survey by Singh and Vij (2007) said a majority of the respondents are in favor of a judicial regulatory body to enforce ethics in advertising. They are in favor of legal restrictions on sexual advertisements and targeting children. In this survey, we can identify those ethics in advertising importance to certain individual and will become legal restrictions on sexual advertisement and target children. They also identified advertising can be unethical when it derive to a high degree in substitute product, misrepresentation, misguiding information, conceal information vitally affect human life such as side effect by drugs or other. However, comparative advertising (Hypermarket Giants make a claim in advertising where their product cheapest than Tesco Hypermarket) will be considered as legal and ethically but the debate still continues.

Research by Feiz, Fakryan, Jalilvand and Hashemi (2013) finding, if the level of acceptance by a customer are high, the more customer buy and get attracted to products or services publish in any types of media. It means advertiser themselves are responsible to create what customer feels about advertising publish by them. We can conclude that advertiser has the power to control public feeling about advertising develop by them, if they create advertising that has positive affect so acceptance by

customer will be high but if advertiser creates advertising that has negative affect to consumer feeling, high level to customer reject that advertising and products or services are high.

## **2.2 Lack of Truthfulness and Honesty**

Lack of truthfulness and honesty knew as false advertising, deceptive advertising. Lack of Truthfulness and honesty refer to feelings by customers side (confusing, manipulating, misleading) when advertising by an advertiser or advertising agencies is not true and honest. Advertising act can protect consumers from deceptive advertising through the enforcement of specific legislation. Advertising act and consumer act have the same function such as to promote, introduce and explain a truth and honest claim about a product or services.

Advertising Standard Authority Malaysia (ASAM) s the independent body responsible for ensuring that the self-regulatory system works in the public interest. The ASAM's aimed such as investigating complaints and copy advice on society advertising. There identify honesty as a general principle where the advertisement should not be so framed as to abuse the trust of the consumer or exploit customers lack of experience or knowledge. All descriptions, claims and comparisons which relate to affairs, the objectively fact should be achieved of substantiation, and advertisers and advertising agencies are needed to hold such substantiation of the production without any delay to the ASAM's. It is always possible to substantiate overall claims by an advertiser that the product or services are of superbest quality (best finest) in a manner which is universal can be acceptable. This kind of claims, sometimes is permissible under

ASAM's code, where their claim or wording in an advertisement does not create any false impression concerning any quality possessed by the product which is capable of assessment in the rule under the accepted standards in judgment.

According to research by Pirsch, Grau and Polonsky (2012) concludes that a resolution to the harm created by deceptive weight-loss advertising can be achieved by the developing more holistic, system-wide in solution to this important health and policy issue. This implementing must involve overall aspects of harm in a vary stakeholder answers, including both upstream and downstream integration. Specific ideas are made for policy-makers, advertiser, the media, and consumers to achieve this goal. From a marketing side, analyzing the claim in deceptive weight-loss advertising using the harm chain allows for the creation of a more competitiveness, system in wide solution involving all stakeholders in all matters of harm for this important health and policy issue. False advertising or lack of truthfulness and honesty firm regulated, consumers and even other companies, such as competition and that the statement is false. It is illegal to lie, to provide products or services to consumers. Taking, there are more rules to protect consumers. Do not try to create a false perception of the image of advertisers, consumers or not to give them a false misrepresentation oral and written, which is very important. Basically, misleading advertising, think twice before believing completely advertising.

Advertisement under the Act is defined as any form of advertisement (whether or not it is oral or written or sound) published or otherwise through a display of notice, card-label or documents or Cinematography film or picture or photo or through television

or radio or by any other means. It is provided under section 20(1) of DSA that any seller who supplies goods or services by mail order services and at the same time advertises the goods or services.

### **2.2.1 The Relationship between Lack of Truthfulness and Honesty and Unethical Advertising**

The result from research by Hassan (2012), there has been no single legislation in Malaysia until to date that protects consumers dealing in e-commerce. Even the Consumers Protection Act 1999 (Act 599) that is the principal legislation for the protection of consumers has not been extended to e-commerce. The consumer will face a big problem in proving such false advertisement and description in court even by referring to the Trade Description Act 1971. It will be more difficult when advertisement and description on the internet can be easily changed or erased. From the findings of this research, focus groups discussion showed that advertising and marketing efforts in Kenya are more on ethical and morality. In the competition to attract larger audiences and deliver them to advertisers, communication can attract an audience to aside high artistic and moral standards and lapse into superficiality, flamboyance and moral squalor Foley, 1999 cited by Mathenge (2013).

For this study, the focus was on research questions that sought to better understand the client perspective when it comes to message ethics. Questions were asked about ethical responsibility and client expectations for both themselves and their agencies. Questions were asked about how advertising ethics fit into their daily work lives: the relationship between legal and ethical, what discussions take place, how decisions get

made. Along the way, we gained insight into the status of ethics in advertising today and the enigma that is the client/agency relationship.

At the conclusion of the interview, informants were asked how they might encourage more ethical advertising in the future. Although one respondent was completely stumped by this question, most interviewees were full of ideas and suggestions on how to encourage more ethical advertising in the future. Although they phrased it in different ways, most of the suggestions involved talking about ethics more and making it more of a priority. Specific ideas focused on: rewarding companies and executives for being ethical and promoting ethics, having more consistent training using case studies to point out the consequences of not being ethical and just having companies “go on the record” in terms of their commitment to ethics.

### **2.3 Offensive Advertising**

Consumers or citizen have an opportunity to accept or reject (reward or punish) any kind of product or services within a social context. Rejection or boycott of any product or services either by consumers or citizen make it difficult and impossible to promote that products or services using mass media (such as newspaper or television).

According a survey by De run, Butt, Fam and Jong (2010), identify that those who are high in term religiosity vary on the behaviors and action to a controversial advertisement from those who are low in term religiosity. Attitudes towards offensive advertising by Malaysian Muslims’ can we measure using high or low in level of religiosity. For conclusion in this survey stated that advertiser needs to be extra care if

they want their products or services to be accepted by Malaysian Muslims' in term of offensive advertising although not all citizen have a high level in term of religiosity. Thus, to avoid any controversies or potential business cannot be accepted by prospect consumers', an advertiser should more understanding of what ignite the reaction, seems to be an appropriate preventive strategy.

However, a cross-cultural study by Chan, Li, Diehl and Terlutter (2007) examine how Chinese and German consumers react to print advertisements that are potentially offensive identify the Chinese respondents were low in a term to accepting of offensive advertising more than German respondent. However, they were also more likely than German respondents to find the advertisements convincing and informative. Perception of Chinese respondents and German respondents had different in advertising perspective. According to this journal, two print advertisements that perceived the most negative perceptions both contained sexually oriented body images.

In this study also show the result that advertising perceptions had a significant impact on consumers' intentions to reject the products and the brands. Unfortunately, the survey has some limitation where they only on offensive advertising another type such as lack of truthfulness and honest, discriminate, surrogate advertising were not covered. For conclusion, the survey can provide useful advice to marketers or advertisers to notice how far they can stretch the line for offensive advertisements and to assess the other risk involved.

### **2.3.1 The Relationship between Offensive Advertising and Unethical Advertising**

Research by Waller, Fam and Erdagon (2005), determine attitudes towards advertising of certain offensive products or services in Malaysia, New Zealand, Turkey and the United Kingdom identify that and that religious and historical contribution play an important role. In this finding indicate the 17 products presented, 11 resulted in similar answers for New Zealand and the UK, and however only seven product resulted similar for Turkey and Malaysia. Generally, it was apparent that the two countries mostly populated by Muslims had some differences as Malaysia has a multicultural society that must make some allowances for other ethnic groups. Researcher concludes that racism and racist images are of concern to all those sampled. The most offensive in advertising went advertise products or services through four countries are racially extremist groups, gambling, and religious denominations.

In conclusion identify that what is clear from these results is that, for the samples involved, companies must exercise care in utilizing female models in advertisements across different types of viewers. What may be acceptable in Thailand or Japan, probably will not be acceptable in New Zealand and the USA, and vice versa. A certain amount of localization of role portrayal depictions needs to be considered in any global wide advertisement campaign by Ford, LaTour and Jr (1997).

## **2.4 Surrogate**

Normally, surrogate advertising is an application for creating and separate awareness



of the brand and for creating brand recall of the products or services which are in a negative and not legal list. This kind of products or services such as alcohol and cigarettes will be used by the advertiser using surrogated advertising. According to Choudhary (2014), surrogate advertising is one of the forms of advertising which used to promote products or services that are banned such alcohol and cigarettes. Here the banned products or services are promoted in the disguise of other products or services which are belong to a close category or may be belong to a totally different category.

#### **2.4.1 The Relationship between Surrogate Advertising and Unethical Advertising**

Maximum respondents can tell interest, information about surrogate advertisements (such as advertise tobacco brands). It means advertiser need to advertise surrogate advertising correctly prospecting to their correct customers.

Advantages and disadvantages of surrogate advertising sometimes can be good to a marketer or advertising agencies, however, may be it can develop disaster to a marketer or advertising agencies. Nowadays any type of advertising can be viral, demanding to depend on how creative advertising agencies develop, create advertising. Sometimes advertiser just creates generally advertising but because the time when advertiser publish that advertising so from general advertising also can become famous and highest level of watchable advertising in media Singh (2015).

According to the time smaller and new entrant, businesses realize that to enter and

sustain in a certain market is not easy especially in changes environment nowadays. This new trend is not really competitive to a young consumer and other. Generally, customers will feel that surrogate advertising is forbidden and unethical but a minority of individual feel this type of advertising can be ethical and more creative than other advertising who are not using this type of advertising. Some advertiser believes this types of advertising can gain the highest level of profitability but to customers is may lead to dangerous conditions (for example advertising buy tobacco products).

According Reily (2013), researcher examined the factors influence and result from highest level in significance relationship when creating advertising become unethical by consumer perspectives. This study also can create the guide and rule to advertiser and marketer when to create and develop new advertising to make sure their advertising can be accepted by audience and target audience. Effect advertising really importance to advertiser and marketer because if advertising failure and avoided by audience or prospect audience it will create negative effect about marketer or advertiser brands and the money invest in advertising loss.

## **2.5 Conclusion**

The review of literature based on previous studies help in the framing work of this study and hypothesis other than to strengthen and help and a better understanding of the research conducted. The framework of this study and research hypothesis will be discussed in the next chapter.

## CHAPTER 3

### METHODOLOGY

#### 3.0 Introduction

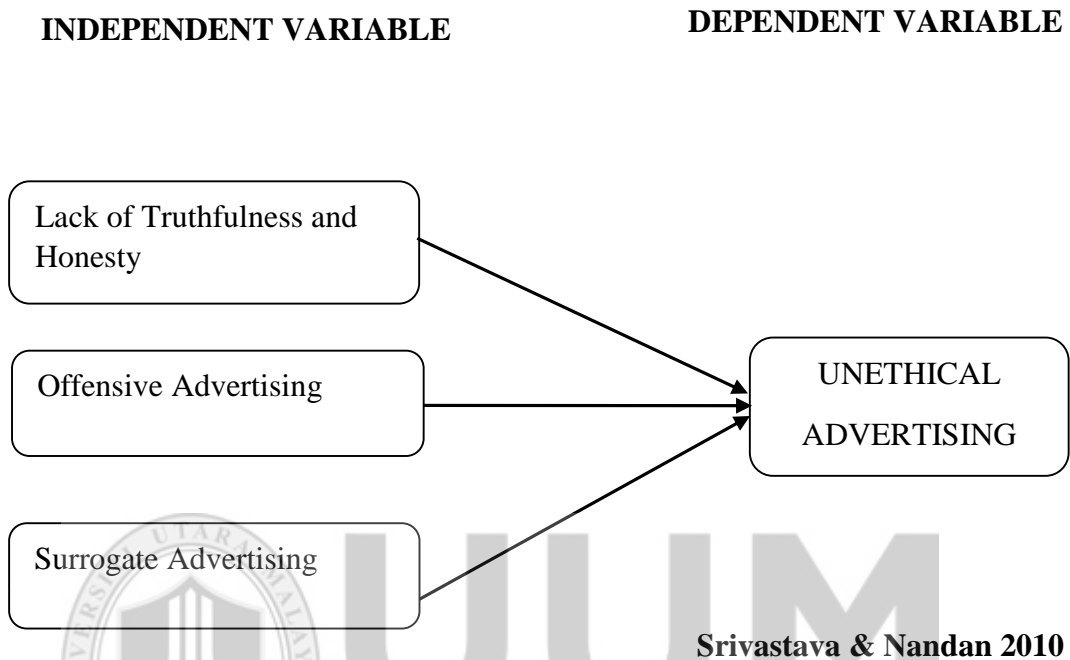
Methodology is the most critical part in this study. Therefore, methodology included the framework of the research, hypotheses, and the design of the research, the operational definition, the variable measurement, sampling, the procedure of data collection and the data analysis technique.

#### 3.1 Research Framework

Based on the literature review regarding the study variables for perception of unethical advertising factor, lack of truthfulness and honesty, offensive advertising, and surrogate advertising, the research framework is presented in **Figure 3.1**. The researcher will examine whether all the three independent variables (lack of truthfulness and honesty, offensive advertising, and surrogate advertising) have positive relationship to claims advertising become unethical advertising.

**Figure 3.1**

***Research Framework***



**3.2 Hypothesis Development**

A hypothesis can be refer as a logical relation estimated at between two or more variables expressed in the form of statements that can be tested (either have relationship or not) according Sekaran, 2013. In this study, researcher reveal and identified the important variables in a situation (unethical advertising factor) and established the relationships among them through logical reasoning (consumer perspective) in the theoretical framework. It is then in a position to test whether the significant relationships that have been theorized do, in fact, hold true or exist significant relationship neither not. Therefore, in this research three hypotheses have been develop that are related or have relationship to the objective of the study that

needs to be tested.

H1: There is a significant and positive relationship between lack of truthfulness and honesty factor contribute advertising become unethical.

H2: There is a significant and positive relationship between offensive advertising factors contribute advertising become unethical.

H3: There is a significant and positive relationship between surrogate factors contribute advertising become unethical.

### **3.3 Research Design**

#### **3.3.1 Type of Study**

To bring out this study, researcher decided to use the descriptive research analysis that consists frequencies and percentage is used as a main point of the sample. Thus, in this study researcher tend to use the cross – sectional study because it involves a selected element of sample from the population that interested and it will be measured at a single point in time. In this study, the individuals over the age eighteen years old will be describe as a sample and they need to answer the questionnaire just in one time. Because at this age individual can be considered are familiar with purchasing and capable to make a decision when to choose the actual items in variety of choices in marketplace, hence, it can be assume the environmental concern in their purchasing (Rahbar & Abdul Wahid, 2011).

The primary data in this study was collected through the distribution of structured questionnaire. In this study the questionnaire is derived from the research efforts involving the factors influencing in unethical advertising through consumers perspective. The questionnaire was selected as the main method to collect data because it simple to analysis and also is can be self-administered. The questionnaire of this study will have two section which are section A and section B that will be adapt from several studies in related fields. The item in section A will focus on the part of demographic characteristics respondents such as gender, age, level of education, sector of occupation and yearly income. Meanwhile, the section B will focus on the part of independent variable and part C focus question for dependent variables which is design by using nominal, ordinal and scale. In addition, in order to evaluate the strength of the relationship between dependent and independent variable, Pearson Correlation coefficient has been used in this research. The objective of this study tends to examine the relationships between three dimensions of independent variables with dependent variable. Based on David (1971) state that Pearson Correlation test will use to interpret the relationship between two variable which is independent and dependent variables. The hypothesis testing whether variables expected to be related or not and collect data on two more variables for each participant in the research study.

### **3.3.2 Unit Analysis**


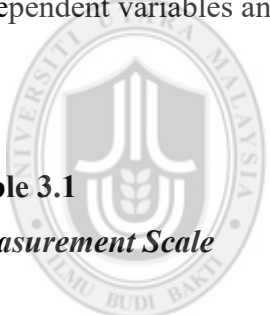
This study will investigate factors that influence the customer's claims how advertising will become unethical for advertising watch by them. The factors are lack of truthfulness and honesty, offensive, and surrogate. For this purpose, the data will be collected from the respondent at age above eighteen years old and above according the

unit of analysis is the individual.

### 3.4 Measurement of Variable

In this section, the main focus is on the questionnaire was measure by five point Likert type of scale (**Table 3.1**). The survey instrument consists of a five page questionnaire (Appendix 1) with total 28 questionnaires (independent and dependent variables question). The questionnaires are divided into three sections which is section A, section B and section C as shown in (**Table 3.2**). Section A related to the demographic characteristics of respondents, while, section B consists questionnaires related all the independent variables and section C related to dependent variables.

**Table 3.1**  
*Measurement Scale*



<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
1	2	3	4	5

**Table 3.2**

*Summary of the Questionnaire Design*

<b>Profile/Variable</b>	<b>No. of Item</b>	<b>Question No</b>
<b>Section A</b>		
<b>Gender</b>	1	Section A: 1
<b>Age</b>	1	Section A: 2
<b>Marital Status</b>	1	Section A: 3
<b>Race</b>	1	Section A: 4
<b>Year of Study</b>	1	Section A: 5
<b>Section B</b>		
<b>Lack of truthfulness and honesty in advertising</b>	6	Section B: 1-6
<b>Offensive in advertising</b>	10	Section B: 7-16
<b>Surrogate in advertising</b>	6	Section B: 17-22
<b>Section C</b>		
<b>Unethical Advertising</b>	6	Section C: 1-6



In the section A, the respondents demographic were asked respectively; gender, age, marital status, race and year of study. In the section B, there are three independent with is lack of truthfulness and honesty in advertising, offensive in advertising and surrogate advertising that are consist 22 items in total and required respondents to rate items based on a 5-point Likert scale. While, section C asking about dependent variable consists 6 items only. All the items were adopted from the previous studies in different researcher.

### **3.5 Research Type**

This study uses cross-sectional survey design and applying quantitative research which collect numerical data and analyze the data by using statistical method (SPSS software version 22). This research design is important to identify the feedback from the respondent by answering the questionnaire which related to the dependent and independent variables. Also, this study employs quantitative study particularly questionnaire because is the most appropriate for such research which is investigating the factors have significant relationship in influence advertising become unethical.

### **3.6 Instruments in the Study**

Based on theoretical framework in **Figure 3.1** of chapter 3, predictor variables in this study will be represented by dependent variable (unethical advertisement contribute to intentions to purchase products or services) meanwhile independent variables (lack of truthfulness and honesty, offensive advertising, and surrogate advertising).

### 3.6.1 Lack of Truthfulness and Honesty in Advertising (Independent Variable)

False advertising or lack of truthfulness and honesty firm regulated, consumers and even other companies, such as competition and that the statement is false. It is illegal to lie, to provide products or services to consumers. In this independent variables questionnaire from Schlosser, Shavitt and Kanfer 1999 journal are self-adaptable to make sure it suitable for this research topic with reliability 0.789, using six items to measure the lack of truthfulness and honesty factor. Five point Likert scale was used.

**Table 3.3**

*Lack of Truthfulness and Honesty*

No	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	Most advertising are lack of truthfulness and honesty.					
2.	In general, I cannot trust advertising.					
3.	Product that I have use usually use lack of truthfulness and honesty concept in their advertisement.					
4.	Do you often use information from advertising to help make your purchase intention.					
5.	In general, I feel really confident using information I see in an ad to make purchase intention.					
6.	I am not comfortable purchasing an item directly					

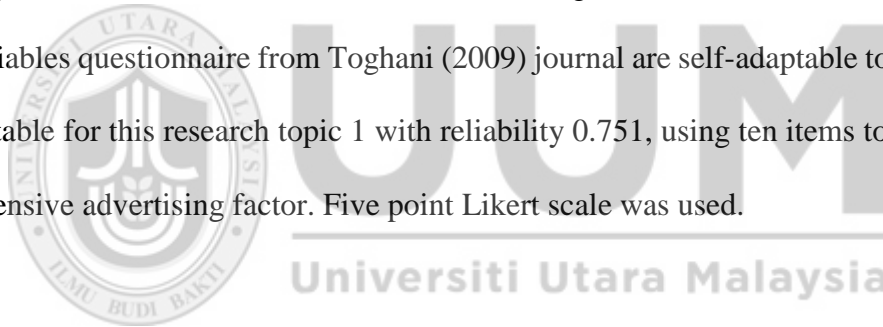
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through an address or  
phone number in an  
advertisement.

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### 3.6.2 Offensive Advertising (Independent Variable)

A cross cultural study by Chan, Li, Diehl and Terlutter (2007) examine how Chinese and German consumers react to print advertisements that are potentially offensive identify the Chinese respondents were low in term to accepting of offensive advertising more than German respondent. However, they were also more likely than German respondents to find the advertisements convincing and informative. In this independent variables questionnaire from Toghani (2009) journal are self-adaptable to make sure it suitable for this research topic 1 with reliability 0.751, using ten items to measure the offensive advertising factor. Five point Likert scale was used.

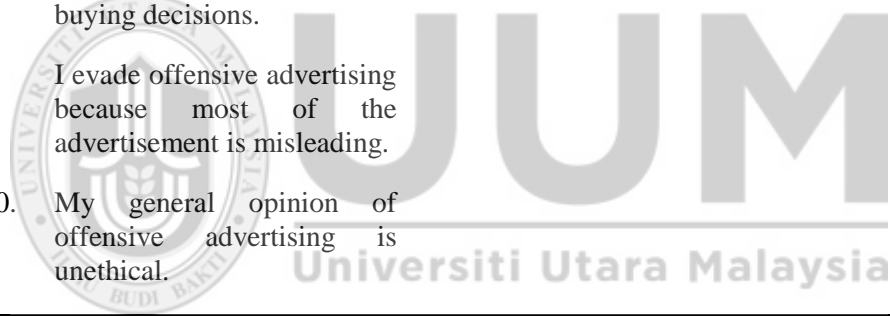


**Table 3.4**

*Offensive Advertising*

No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	I believe some of offensive advertising useful as it promotes the latest product.					
2.	Through offensive advertising I got to know innovative ideas.					
3.	I refer to advertising because it allows me to enjoy the best					

- 
- deal out of the competing product advertised.
4. I don't like offensive advertising because it offends our society.
  5. I support any form of advertising it is where creativity is highly appreciated.
  6. I don't support offensive advertising because it doesn't results in lower prices of products.
  7. I avoid offensive advertising because it does not provide a true picture of the product advertised.
  8. I support advertising it plays an important role part in my buying decisions.
  9. I evade offensive advertising because most of the advertisement is misleading.
  10. My general opinion of offensive advertising is unethical.
- 



### **3.6.3 Surrogate Advertising (Independent Variable)**

According Choudhary (2014) surrogate advertising are one of the forms in advertising which used to promote products or services that are banned such alcohol and cigarettes. Here the banned products or services are promoted in the disguise of other products or services which are belong to close category or may be belong to totally different category. In this independent variables questionnaire from Shameer (2012) journal are self-adaptable to make sure it suitable for this research topic with reliability 0.860,

using six items to measure the surrogate in advertising. Five point Likert scale was used.

**Table 3.5**

***Surrogate Advertising***

No	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	Do you often see any advertisement of tobacco product.					
2.	Do you know about surrogate advertisement.					
3.	Do you often see Tobacco Brans such as Dunhill, Marlboro and other use surrogate advertising to promote their brand.					
4.	Do you often buy the surrogate product such as soda or fragrant liquid after seeing their ads on the mediating.					
5.	Do you believe tobacco brand which use surrogate advertising have high level of creativity.					
6.	Do you believe that advertising of such product are unethical.					

**3.6.4 Unethical Advertising (Dependent Variable)**

Research tittle examining the effect of TV advertising appeals on brand attitudes and advertising efforts in Iran by Feiz, Fakryan, Jalilvand and Hashemi (2013), the result

show that the more positive respondents' feelings about advertising in general, the more attention pay to the advertising, and more they are persuaded by it. In this dependent variables questionnaire from Shameer (2012) journal are self-adaptable to make sure it suitable for this research topic with reliability 0.917, using six items to measure the unethical factor in advertising. Five point Likert scale was used.

**Table 3.6**

*Discriminate Use of Ad in Advertisement*

No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	Do you believe advertisement influence your purchase intention.					
2.	Do you believe unethical in advertisement will influence your purchase intention.					
3.	Do you believe the level of unethical in general advertising at Malaysia are high.					
4.	Do you feel lack of truthfulness and honesty advertisement contribute advertising become unethical.					
5.	Do you feel offensive advertisement contribute advertising become unethical.					
6.	Do you feel surrogate advertisement contribute advertising become unethical.					

### **3.7 Data Collection**

For this study researcher use both primary and secondary data sources. Primary data is important as the main sources of information in this study. In this research, questionnaire will used as instrument to collect primary data. Besides that, researcher also will use a secondary data as a reference that was obtained from journal articles, textbook, industry analysis offered by websites and media. The questionnaire was designed to study the factors influencing advertising become unethical according this three factor, lack of truthfulness and honesty, offensive advertising and surrogate advertising.

#### **3.7.1 Primary data**

According to Sekaran and Bougie (2013), primary data refers to information obtained directly by the researcher on the variables of interest for the specific purpose of the study. The sources of primary data are through interviews, administered questionnaires, or observations. In this study, a questionnaire is us as a main form of data collection from the respondent. There are three types of data collection methods that can be used to collect data through a questionnaire which are administered personally, mailed to the respondents, or electronically distributed. In this study, distributing a self-administered questionnaire to all respondents is being used. Besides that, to make respondents understand with questions.

### **3.7.2 Questionnaire Design**

A questionnaire is a pre-formulated set of collected questions of which the respondents record their reactions. The questionnaire is an efficient tool for data collection once a study is an explanatory or descriptive in nature (Sekaran & Bougie, 2013). Moreover, the questionnaires are ordinarily less time consuming and cost a lesser cash budget. The key motive of the questionnaire is to gather huge numbers of quantitative data in this research.

## **3.8 Sampling Design**

### **3.8.1 Population and Sample Size**

Sekaran and Bougie (2010) classify the population as the total group of people, events or things that the researcher requests to explore. In this research it will focus on the individuals over the age eighteen years old and university or college student will be describe as a sample and they need to answer the questionnaire just in one time. Sekaran and Bougie (2010) also state if the population is 246 peoples (Msc Management student only), the appropriate sample size is 153. Thus, in this study at least 246 questionnaires were distributed among Msc management student at University Utara Malaysia (UUM) with the population full time and part time according to the OYA's (Othman Yeop Abdullah School of Business in 2016 data. UUM was choosing in this study to conduct survey because it is a proper place generally in term of diversity in age and the respondent level of education.



### **3.8.2 Sampling Technique**

The sampling technique of the study relied on simple random sampling technique. The rationale of using simple random sampling technique was because the method enabled researcher to deal with the number of students in UUM in the most efficient approach.

### **3.9 Data Collection Procedure**

Distribution questionnaire was used to collect data for this study. The questionnaire was done in two ways; firstly, manually approaches by researcher include class in OYA and Msc management student in hostel include in library.

#### **3.9.1 Questionnaire Rate of Return**

Researcher distributed 400 sets of questionnaire among UUM students. According to Sekaran and Bougie (2010), required respondents as sample for that population are 379. The response rate with 374 returned was 93 percent. However, 7 percent of questionnaires are considered lost due to unable the respondents returned the questionnaire during the programmed and some questionnaire distributed was unanswered.

### **3.10 Data Analysis Techniques**

The raw data in this study were analyses using the Statistical Package of Social Science (SPSS) software version 20.0 programming. There are vary techniques in process to

analyzing data, for example, before data analysis researcher need to screening the data and taking the accurate data analysis according Sekaran, 2013. Data screening was function to identify data entry errors and to examine how appropriately the data meets the statistical assumptions which are involving the missing data, treating outliers, descriptive statistics of variables, and linearity. The permission letter for the data collection issued by the Othman Yeop Abdullah Graduate School of Business in University Utara Malaysia, because to get permission to carry out the studies in university. The respondents in this study were given around ten to twenty minute to answer the questionnaire and then researcher will collect it.

### **3.10.1 Data Screening**

Screening data has carried out to whether the result of analysis are valid to interpret said Guarino, Gamst, & Meyers, 2012. Data screening process is about a number of certain steps in order to make sure that the factors of the data is not generally influence the outcome,

#### **3.10.1.1 Missing data**

Missing data is a generally step in before analyze the collected data. Where researcher consider as a extreme part before data collect by researcher be analyze to identify, since the data is often riddled with mistakes during the data entry errors which completely affect the outcome of the analysis results (Hair, Anderson, Babin, & Black, 2010; Pallant, 2013). Before tasting each hypothesis, each variables were tested to identify missing data values and data entry. Missing data are knows either casese valid

values of one variables or more are incorrectly entered or are not available for data analysis (Hair *et al.*, 2007).

Generally, lack to understanding questionnaire questions, uninterested to answer or maybe oversight of some items are issues that must be pointed into consideration because it will impact on the result in outcome. In this study, the data have been collected according Likert scale from (5) “strongly agree” until (1) “strongly disagree”. The data secondly checked either respondent answer in range 1 until five only.

#### **3.10.1.2 Outlier Analysis**

Analysis of the outlier in a raw data is very important part after finish identify missing data because it will affect the result in analysis by Sekaran & Bougie, 2013. Many factor causing outlier including data entry not incorrect. In this research few data by certain respondent were detected as a data outlier and researcher need to remove that data from certain respondent.

#### **3.11 Pilot Test**

Researcher will use a pilot test as a trial in order to run procedures and instrument before starting the process of collecting the real data in this study. The purposes of pilot test are to test the reliability and validity of all items in the questionnaire. To validate the questionnaire it required minimum 7’s until maximum 30’s respondent’s to participate in a pilot test. In this pilot test respondent answers were used to analyses either the questionnaire needs to rebuild and redesign or not. The questionnaire will be

measure the real data if the values of the Cronbach's Alpha are 0.6 a low reliability, 0.9 a high reliability and the range between 0.6 until 0.9 reflects an acceptable.

### 3.11.1 Reliability Analysis

Reliability is the amount of which an experiment, test or even measurement process is expected to yield the same outcome on a recurrent trail (Sekaran, 2013). According to (Zikmud, 2003) reliability means the extent to which measurement tools are free from error and, therefore, produce a consistent outcome. Reliability result of this study is shown **Table 3.7** below :

**Table 3.7**  
*The Cronbach Alpha for Pilot Test (n=30)*

No.	Variables	No of Item	Result (n=30)
1.	Lack of Truthfulness' and Honesty of Advertising	6	0.874
2.	Offensive Advertising	10	0.722
3.	Surrogate Advertising	6	0.936
4.	Unethical Advertising	6	0.781

**Table 3.7** describes that all the independent variables are valid in term of reliability result. This is showed by the high Cronbach's alpha which is higher than the standard

number (0.6) according to Sekaran, 2013, all the variables in this research consider as a good in reliability result. According to (Hair *et al.*, 1998) since, Cronbach's  $\alpha$  values for all dimensions ranged from 0.722 to 0.936, exceeding the minimum of 0.6 is deeply reliable.

### 3.11.2 Normality Test

Hair *et al.* (2010) suggested that normality of the data is perceived as fundamental one in a research conducted especially multivariate research. According to (Pallant 2001), normal is used to describe a symmetrical bell shape curve which has the greatest frequency of scores in the middle with smaller frequencies toward the extreme. The assumption of normality is a prerequisite for many inferential statistical techniques (Coakes and Steed, 2007). If the variation from the normal is sufficiently large, all the resulting statistical test are invalid because normality is required to use the F and T statistic (Hair *et al.*, 2006).

Normality also can be assessed to some extent by obtaining skewness and kurtosis values. Normal distribution describes the expected distribution of sample means as well as many other chance occurrences (Hair *et al.*, 2010). The normal distribution is particularly important because it provides the underlying basis for many of the inferences by a researcher who collect data using sampling. Therefore, in this study, researcher runs a normality test to make sure the normality of distribution and checking for outliers. For the purpose of this study, all the independent variables were tested by using SPSS to ensure no violation of normality assumption using the explore procedure

under SPSS. Through normality test, the outliers were removed from the analysis. According to (Hair *et al.*, 2007), an outlier is a respondent that has one or more values that are distinctly different from the values of the other respondents outliers also can impact the validity of the researcher's findings. According (George, D., & Mallery, M. 2010) states that if the range of skewness and kurtosis between (-2 to +2) is acceptable.

### **3.11.3 Descriptive Statistics**

The descriptive statistics were used to describe the features of the population and samples as regards to their demographic background, such as gender, age, marital status, religion, education level, country, income, university and course of study. This technique shows a description of the overall responses obtained.

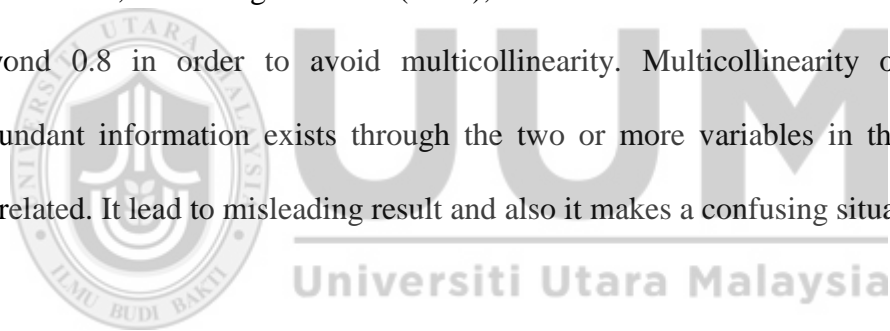
### **3.11.4 Pearson Correlation**

The Pearson relationship coefficient is utilized to look at the relationship between the independent and dependent variables; as well as to demonstrate the strength of the relationship between variables. (Gleaner and Morgan 2009) noted that Pearson correlation can be changed from -1.0 (perfect negative relationship) through 0.0 (no relationship whatsoever) to +1.0 (flawless positive relationship). However, the authors added that even though +1.0 and -1.0 are having equal or string value, both would come out with different interpretations.

According to Yan. (2006), the analysis of Pearson correlation is to investigate the relationship or association between the variables. The rule of thumb for the correlation coefficient value as follows :

- i. The correlation coefficient value range between 0.10 to 0.29 is weak .
- ii. The correlation coefficient value range between 0.30 to 0.49 is moderate.
- iii. The correlation coefficient value range between 0.50 to 1.0 is strong .

Furthermore, according to Yan. (2006), the correlation coefficient should not go beyond 0.8 in order to avoid multicollinearity. Multicollinearity occurs when redundant information exists through the two or more variables in the model are correlated. It lead to misleading result and also it makes a confusing situation.



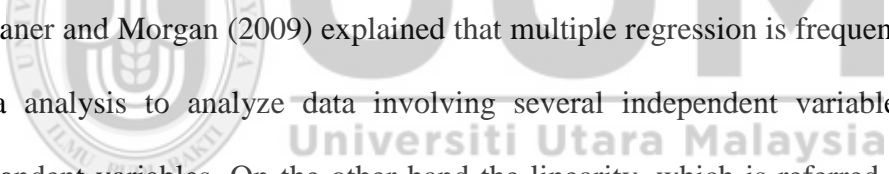
**Table 3.8**

***Interpretation of Strength of Coefficients Correlation***

<b>The Coefficients Range and The Strength of Relationship</b>	<b>Result</b>
1.0 to 0.50	Strong
0.49 to 0.30	Moderate
0.29 to 0.10	Weak

### 3.11.5 Multiple Regressions Analysis

Multiple regressions is a method that frequently used in a data analysis to analyze data when involved several independent variables with one dependent variable. In addition, multiple regression can help the researcher to understand how much the variables in the dependent variables that are being affected by the independent variables. In multiple regression, a value of multiple R is computed. This value would give an interpretation of the strength of the relationship that exists between the independent variables and the dependent variables. It should be noted that even the value of multiple of the R is high, it does not mean that the independent variables might cause the change in the dependent variables.



Gleaner and Morgan (2009) explained that multiple regression is frequently used in a data analysis to analyze data involving several independent variables with one dependent variables. On the other hand the linearity, which is referred to the linear relationship between the variables is statistical technique to extent the changes in independent variables is linked with the dependent variables. According to (Pallant, 2013), highlighted the ways that assessing the linearity is to run the regression and examine the residual value (*Scatterplots*), by looking at the residual plots from SPSS result, it shows linearity when the plots are close to the shape line.

### 3.12 Chapter Summary

This chapter explained more detail about the research methodology development in this research. The research framework and hypotheses developed were explained



accordingly. Similarly, the method of data collection, questionnaire design was explained clearly and detail. The source of the data collection, and sample size, sampling technique was also covered and written in this chapter. Aside from that, the variable measurements of the study were also discussed and finally, this chapter also covering about how they will analyze the data in chapter four and also method in this research to analyze from raw data become scientific data.

**Table 3.9**

*Data Analysis Technique*

No.	Objective of the study/ Area of Investigation	Method to Analysis
1	Demographics Respondent.	Descriptive Analysis
2	To determine the relationship between the determinants lack of truthfulness and honesty, offensive in advertising and surrogate advertising factor influence advertising become unethical according consumer perspective, for this study researcher use Msc. Management students in University Utara Malaysia as customer.	Pearson Correlation
3	To identify the factors that influence advertising become unethical according consumer perspective. (Msc. Management in University Utara Malaysia as consumer researcher choose in this study.	Multiple Regression

## CHAPTER 4

### FINDINGS AND DISCUSSIONS

#### 4.0 Introduction

This chapter is discussing the findings from the collected and analyzed questionnaires. The findings will answer the research objectives and also the hypothesis in this study. The findings which is based on a number of objectives that have been established as in chapter one and two. The analysis of the data was performed by using the software of Statistical Package for Social Sciences (SPSS) version 22.0. Frequency and percentage were used to measure the demographic characteristics of respondents. Meanwhile, Pearson Correlation and Multiple Regression analysis are used to measure the relationship among independent variables and dependent variable.

#### 4.1 Reliability Test

A pilot study test was conducted to examine and measure the reliability used in this research. Cronbach Alpha value of 0.7 and above are considered trustworthy, while the Cronbach Alpha 0.6 is considered weak but it is still acceptable but if Cronbach Alpha value below than 0.6 is cannot be accepted according Sekaran (2013). **Table 4.1** shows a summary of Cronbach Alpha value for each variable studied by the researchers in this research.

**Table 4.1**

*Cronbach Alpha Values for Each Variables*

<b>Variable</b>	<b>Pilot Test (n=30)</b>	<b>Actual Test (n=155)</b>
Lack of Truthfulness' and Honesty of Advertising	0.874	0.790
Offensive Advertising	0.722	0.847
Surrogate Advertising	0.936	0.872
Unethical Advertising	0.781	0.804

According to **Table 4.1** above, the reliability of the test results were found to have Cronbach Alpha value exceeding 0.7. Alpha value for the independent variable of Truthfulness and Honesty Advertising (0.790), Offensive Advertising (0.847) and Surrogate Advertising (0.872) is high. While the Cronbach alpha values for the dependent variable, namely the unethical advertising among Msc. Management students in University Utara Malaysia is 0.804. Thus, the alpha values obtained are suitable for the actual study researchers.

**4.2 Data Screening**

**4.2.1 Response from the Respondents**

The total of 246 questionnaires were distributed to Master Science Management students which are consisting of Malaysia and Internationals and it takes around two week to get back all the questionnaires that have been distributed. However, out of 246 questionnaires that have been distributed, only 155 questionnaires can be analyzed. The remaining 91 cannot be analyzed due to the incomplete respondent (40 questionnaire) and also the questionnaires which are not returned back to the researcher was (51questionnaires).

**Table 4.2**

*The Percentage of Respondents*

Total Population Msc Management student	Total distribute Questionnaire	Total questionnaire are returned	Percentage (%)
246	246	155	63.01

**4.2.2 Missing data**

A frequency test has been carried out for every variable to detect any missing responses. According to this, all the returned questionnaires were found to be no missing responses. A reviewed of the data set showed that there were complete responses in section A (Demographic variable), section B (factors associated with unethical advertising or the IV's) and section C (unethical advertising or the DV) of the questionnaires.

### 4.2.3 Normality Test

There are many ways one could test the data distribution if it deviates from the normal distribution. One of these is Normal Q-Q plot is referred to distinguish the normality of the data. Data that has achieved the normal distribution on a normal probability plot (see appendix) will align the plots in a straight line cited from Coakes & Steed (2003).

However, the most popular ways that many researchers use in describing the data distribution is the skewness and kurtosis. Skewness is an indicator that shows to what extent a distribution of data leans from the center (symmetry) around the mean (George & Mallery, 2006). According to Hair et al., (2007), values of skewness that are outside the range of +1 to -1 imply a substantially skewed distribution.

In this study, the skewness values has been investigated and found that all variables are within the +1.96 to -1.96 limit. Kurtosis is a test of flatness of data distribution. According to George and Mallery (2006), kurtosis is considered normal if it is within the range of +1 to -1. Kurtosis has been examined and found that all variables are within the +1 to -1 limit. Table 4.1 illustrates the skewness and kurtosis of each variable.

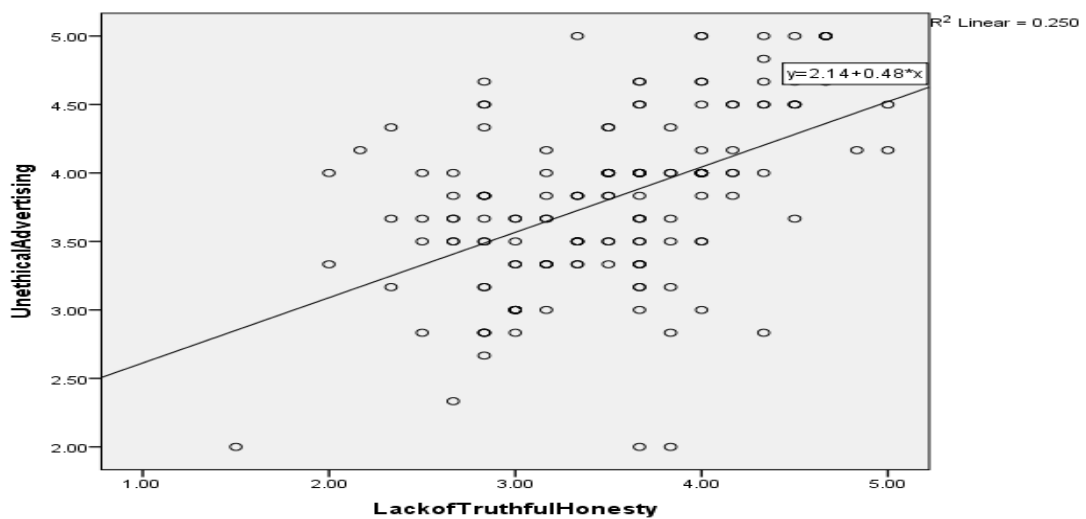
**Table 4.3**

*Summary of Skewness and Kurtosis Value of the Variables*

Variables	Skewness		Kurtosis	
	Statistic	Standard Error	Statistic	Standard Error
Lack of truthfulness & honesty	-0.111	0.195	-0.280	0.387
Offensive advertising	-0.316	0.195	0.715	0.387
Surrogate advertising	-0.228	0.195	-0.494	0.387
Unethical advertising	-0.244	0.195	0.115	0.387

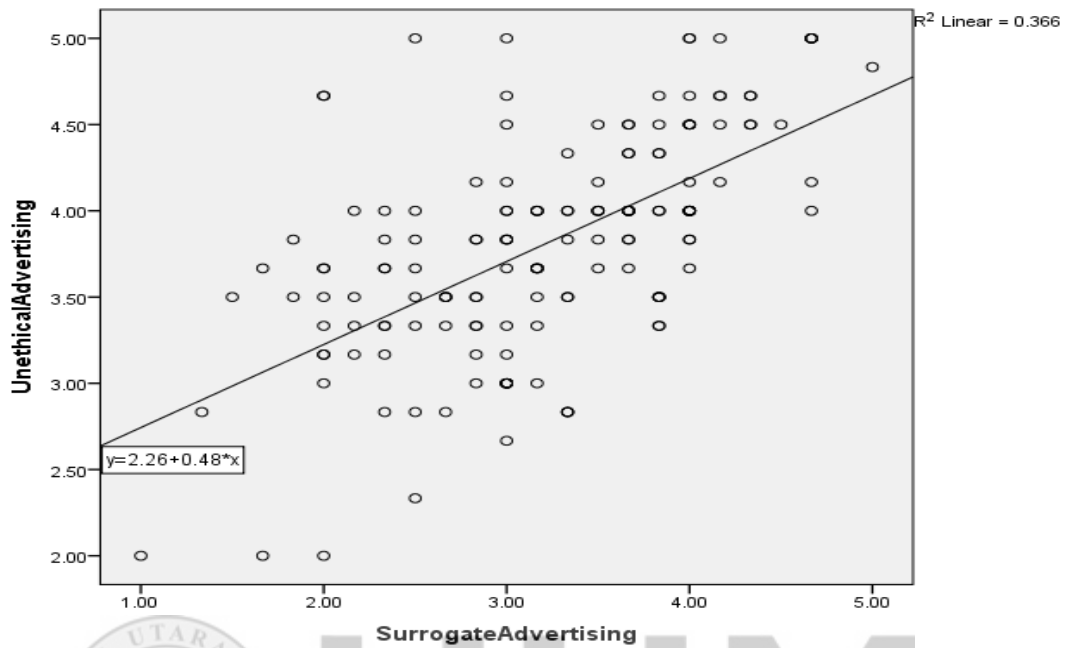
**4.2.4 Linearity Test**

Figure 4.1 until Figure 4.3 shows the scatter plot graph where the linear trend between dimensions can be seen. From the diagram, it shows that all the scatter plot graph is a straight (linear).



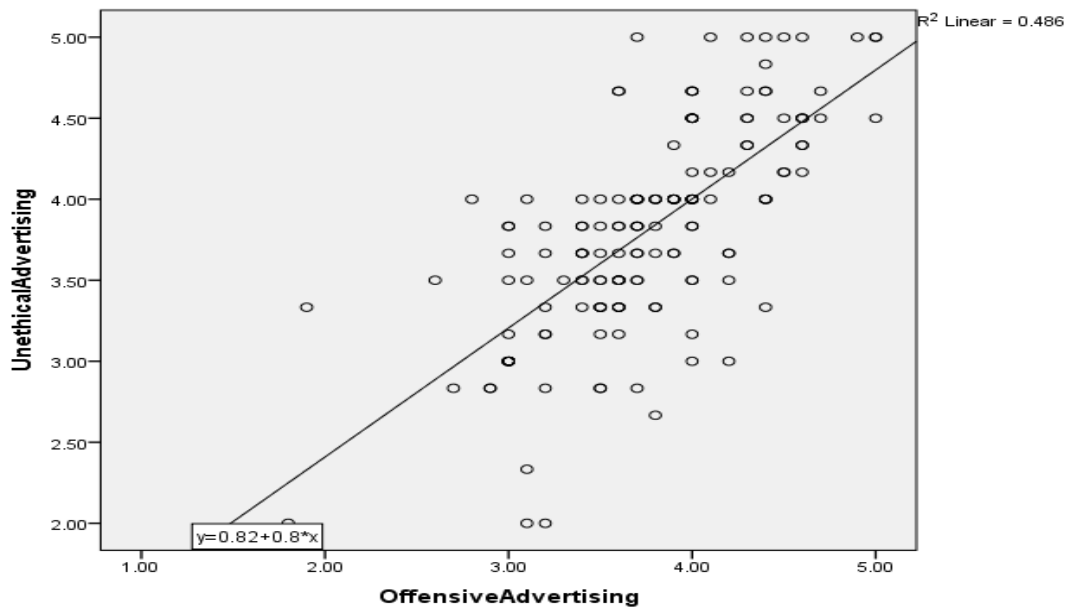
**Figure 4.2**

*Diagram for Offensive and Unethical Advertising*



**Figure 4.3**

*Diagram for Surrogate Advertising and Unethical Advertising*



### 4.3 Analysis Descriptive

#### 4.3.1 Demographic Characteristics of Respondents

The respondents that participated in this study consist of the Masters Science in Management students in University Utara Malaysia, the distribution of the respondents involved is as follows. The results in this section will present a descriptive analysis of the demographic characteristics of the respondents. Demographic factors are presented as gender, age, marital status, religion and educational qualification.

#### 4.3.2 Gender of Respondents

**Table 4.4** represents the gender of respondents of this study. The results showed that the respondents were male (39.4%), while the respondents were female (60.6%).

**Table 4.4**

*Gender of Respondents*

Type of Gender	Frequency	Percentage (%)
Male	61	39.4
Female	94	60.6
Total	155	100



### 4.3.3 Age of the Respondents

**Table 4.5** shows the age of the respondents. The table shows (44.5%) are from the age below 25 years old. Besides, (47.7%) are from the age of 26 - 35 years old group while (7.7%) are from 36 years old and above group.

**Table 4.5**

*Age of Respondents*

List of Age	Frequency	Percentage (%)
21-25	69	44.5
26-30	53	34.2
31-35	21	13.5
36-above	12	7.7
<b>Total</b>	155	100

### 4.3.4 Marital Status of Respondent

**Table 4.6** shows the marital status of respondents. The results showed that the respondents were still single (65.2%), while the respondents were married (34.2%), and for divorce status only (0.6%). All respondent still studies (Msc. Management course) that is why the higher percent of the marital status is single.

**Table 4.6**

*Marital Status of Respondents*

<b>Marital Status</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Single</b>	101	65.2
<b>Married</b>	53	34.2
<b>Divorce</b>	1	0.60
<b>Total</b>	155	100

**4.3.5 Race of Respondents**

**Table 4.7** shows the race of respondents. The table shows that the not majority of the respondents was Malay with (100.0%) because the target population of this study was students who are take Msc. Management courses in northern universities of Malaysia.

**Table 4.7**

*Race of Respondents*

<b>Race</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Malay</b>	104	67.1
<b>Chinese</b>	16	10.3
<b>Indian</b>	7	4.50
<b>Others</b>	28	18.1
<b>Total</b>	155	100

### 4.3.6 Years of Study of Respondents

**Table 4.8** shows the frequency and percentage the years of study of respondent's. The table shows (7.1%) are from Year 1. Then, (83.3%) are from Year 2 until Year 3. Lastly, (9%) are from Year 4.

**Table 4.8**

#### *Years of Study Respondents*

<b>Year</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>1</b>	11	7.1
<b>2</b>	47	30.3
<b>3</b>	83	53.5
<b>4</b>	14	9
<b>Total</b>	155	100

## 4.4 Inferential Analysis

### 4.4.1 Independent Samples *t*-Test

Independent samples *t*-test was used to test the difference between the two groups of variable metric scale (Awais Bhaitti, et.al, 2015). In addition, this test is best used when the standard deviation of unknown value and size of the study sample size was small (Awais Bhatti, et. Al., 2015). According Awais Bhatti, et. Al. (2015) among the criteria for conducting independent *t*-test samples are data must be based on the scale

of 'interval' or 'ratio', the collected data is based on a simple random sample, and the data are normally distributed. **Table 4.9** shows the results of independent samples t-perception of gender on students.

**Table 4.9**

*Independent Sample t-Test Results*

**Group Statistics**

<b>Part1_gender</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Std. Error Mean</b>
Male	61	3.9426	.60468	.07742
Female	94	3.7216	.64776	.06681

**4.4.2 One Way ANOVA**

ANOVA test is a statistical technique used to examine the difference between the values of the two or more populations. The size of the dependent variable using a scale of 'interval' and the dependent variable is the size of the 'nominal' caused by it distinguish groups of respondents by category (Awais Bhatti, et. Al., 2015). Therefore, when there is a 'non-parametric' dependent variable with two or more groups and one metric dependent variable, one-way ANOVA test is suitable for use.

According Awais Bhatti et al. (2015), among the criteria for conducting the tests one-way ANOVA is the data should be normally distributed, the dependent variable should use the size scale of the 'interval' or 'ratio', and independent variables should use the scale size of the 'nominal' or 'ordinal'. The **Table 4.10** below shows the results of one-way ANOVA test results on perception.

**Table 4.10**

*The Differences between Age and Unethical Advertising*

	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Between Groups	.963	3	.321	.784	.504
Within Groups	61.803	151	.409		
Total	62.766	154			

The hypothesis of the differences in age had a significant impact (significant) on students perception towards unethical advertising is rejected based on **Table 4.10** above. This is because the value of  $p > 0.05$  at  $p = 0.504$ .

**Table 4.11**

*The Differences Between Marital Status and Unethical Advertising*

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.110	2	.055	.134	.875
Within Groups	62.656	152	.412		
Total	62.766	154			

From **Table 4.11** above, the one-way ANOVA test results showed that there is no differences in terms of marital status had a significant impact (significant) on the perception of students towards unethical advertising. Test results found the hypothesis was not accepted as  $p > 0.05$ , at  $p = 0.875$ .

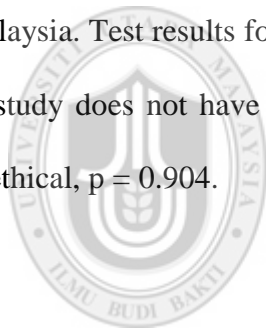
**Table 4.12**

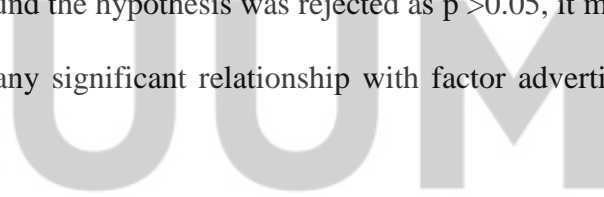
*The Difference between Race and Unethical Advertising*

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.964	3	.655	1.626	.186
Within Groups	60.803	151	.403		
Total	62.766	154			

Referring to **Table 4.12** above, the one-way ANOVA test between race and perception of students towards unethical advertising showed, there is no significant relationship (significant) because the value of  $p > 0.05$ , is at  $p = 0.186$ . This means that the hypothesis of a difference race had a significant impact (significant) towards unethical advertising is in decline. The test results showed no significant relationship between race and unethical advertising.

From **Table 4.13** below, the one-way ANOVA test results showed that the difference in terms of years of study had a significant impact (significant) on the factor contribute advertising become unethical among Msc. Management students in University Utara Malaysia. Test results found the hypothesis was rejected as  $p > 0.05$ , it mean that year of study does not have any significant relationship with factor advertising become unethical,  $p = 0.904$ .



  
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**Table 4.13**

*The Difference between Years of Study and Unethical Advertising*

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.235	3	.078	.189	.904
Within Groups	62.531	151	.414		
Total	62.766	154			

#### 4.4.3 Correlation Analysis

The correlation analysis describes a relationship between the dependent variable and the independent variable whether exist or not. Starting with unethical advertising, it is shown that there are a significant and positive relationship with all the independent variables include lack of truthfulness and honesty advertising ( $r = 0.500$ ), offensive advertising ( $r = 0.697$ ), and surrogate advertising ( $r = 0.605$ ) at  $p < 0.01$ .

**Table 4.14**  
*Result of Pearson Correlation Analysis*

	Lack of Truthfulness & Honesty advertising	Offensive advertising	Surrogate advertising	Unethical Advertising
Lack of Truthfulness & Honesty advertising	1 155			
Offensive Advertising	.576** .000 155	1 155		
Surrogate Advertising	.435** .000 155	.506** .000 155	1 155	
Unethical Advertising	.500** .000 155	.697** .000 155	.605** .000 155	1 155

\*\* . Correlation is significant at the 0.01 level (2-tailed).



**Table 4.14** indicated the conclusion from this analysis is offensive advertising is the strongest and have significant positive correlation with the intention ( $r = 0.697$ ). Furthermore, the overall correlation coefficient values of the study variables range between 0.500 until 0.697 at  $p < 0.01$ , hence, the result show there are relationship among the dependent and independent variables.

#### 4.4.4 The Regression of Analysis

Multiple regressions are is an equation that represent which variable among all independent variable in this research has influence (significant relationship) factor contribute advertisement become unethical according consumer perspective (Msc. Management student). The result of regression the three independent variables can be seen in **Table 4.15** the 'Model Summary' which is the three independent variables that are entered into the regression model, the R (0.759) which is the correlation of the three independent variables with the dependent variable. After all the inter correlations among three independent variable are taken into account, the R Square Value is 0.575. This is the explained variance and is actually the square of the multiple R( $0.759^2$ ). Hence, the studied independent variables explained 57.5 percent of consumer acknowledge this three factor contribute advertising become unethical.

**Table 4.15**

*Model Summary of Multiple Regression Analysis Result*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.759 <sup>a</sup>	.575	.567	.42012

a. Predictors: (Constant), Lack of Truthfulness and Honesty, Offensive and Surrogate advertising.

b. Dependent Variable: Unethical Advertising

**Table 4.16** shows the ANOVA which means that the F value of 68.207 is significant at 0.000 levels. This result reflects that 57.5 percent of the variance (R-Square) in of consumer acknowledge this three factor contribute advertising become unethical.

**Table 4.16**

*ANOVA*

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	36.115	3	12.038	68.207	.000 <sup>b</sup>
	Residual	26.651	151	.176		
	Total	62.766	154			

a. Dependent Variable: Unethical Advertising

b. Predictors: (Constant), Lack of Truthfulness and Honesty, Offensive and Surrogate advertising.

**Table 4.17** shows the Coefficient table and **Table 4.18** gives a summary for the hypothesis and indicates which variable or factor contribute advertising become unethical as the coefficients for each model is tested. Two of the independent variables are significant with p-value less than .05 ( $p < .05$ ) which are offensive advertising and surrogate advertising and while truthfulness and honesty in advertising does not show any significance relationship with unethical advertising.

**Table 4.17**  
*Coefficients*

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.623	.237		2.624	.010
Lack of Truthfulness & Honesty advertising	.075	.063	.079	1.186	.237
Offensive advertising	.558	.079	.488	7.061	.000
Surrogate advertising	.258	.050	.324	5.155	.000

a. Dependent Variable: Unethical Advertising

## 4.5 Hypothesis Summary

**Table 4.18**

*Summary of Testing Hypothesis*

<b>Hypothesis</b>	<b>P</b>	<b>Result</b>
H1: There is a significant and positive relationship between lack of truthfulness and honesty factor and unethical advertising according customer perspective.	0.237	<b>Not Supported</b>
H2: There is a significant and positive relationship between offensive advertising factor and unethical advertising according customer perspective.	0.000	<b>Supported</b>
H3: There is a significant and positive relationship between surrogate and unethical advertising according customer perspective.	0.000	<b>Supported</b>

## 4.6 Conclusion

Based on **Table 4.19** summary of hypothesis revealed that offensive in advertising (H2) and surrogate advertising (H3) had shown significant and positive relationship with factor contribute advertising become unethical according customer perspective. However, lack of truthfulness and honesty in advertising (H1) did not have significant and relationship with factor contribute advertising become unethical according customer perspective.

## CHAPTER 5

### DISCUSSION AND RECOMMENDATIONS

#### 5.0 Introduction

This chapter explain briefly about finding or result in chapter four, recommendation and implication from this study. Mainly the researcher will discuss the finding, second implication include recommendation and lastly is conclusion according to result stated in previous chapter.

#### 5.1 Summary of the Findings

The aim of this study is to investigate the factors that influence unethical advertising criteria according consumer perspective, it this research Msc. Management students in northern state universities of Malaysia are chosen as a respondents. This part discusses the analysis and the findings that have been found and clarifies the issues mentioned in the previous chapter. This chapter is prepare to explore the factors that influence unethical advertising criteria according consumer perspective. In this study, the researcher collects the data from student in public universities at northern states universities of Malaysia. (246) questionnaires are distributed and out of that, 195 questionnaires are returned to the researcher (79.27%). After a comprehensive check of the returned questionnaires, it appears that only 155 (63.00%) questionnaires

deserve merit for analysis as there are some incomplete questionnaires which are discarded for the study.

This present research also is set up to accomplish the following particular objectives:

1. To identify the influence of lack of truthfulness and honesty factor and unethical advertising according customer perspective.
2. To identify the influence of offensive advertising factor and unethical advertising according customer perspective.
3. To identify the influence of surrogate and unethical advertising according customer perspective.

## 5.2 Discussion

The main focus of this study relates selection criteria of unethical factor according customer perspective, which is the primary factor that plays an essential role. This study investigates three factors that have been always mentioned and the three factors, namely lack of truthfulness and honesty, offensive and surrogate in advertising. The present study uses Msc. Management students in University Utara Malaysia as respondents, and the result shows that only one factor has insignificant effect on the selection criteria of that are contribute unethical advertising. The empirical result indicates that lack of truthfulness and honesty does not have any significant relationship (negative relationship or rejected) on factor contribute advertising become

unethical while offensive advertising and surrogate advertising has significant (positive relationship or accepted) with factor contribute advertising become ethical.

### **5.2.1 Lack of Truthfulness and Unethical Advertising**

Essentially, this study attempts to identify the factors that influence the selection criteria of unethical advertising criteria according consumer perspective, in this research Msc Management students in northern state universities of Malaysia are chosen as a consumer; consequently, lack of truthfulness and honesty becomes one of the factors that could influence the selection criteria advertising become unethical.

The first research question deals with the relationship between lack of truthfulness and honesty and unethical advertising. Subsequently, hypothesis one (H1) states “There is a significant and positive relationship between lack of truthfulness and honesty factor and unethical advertising according customer perspective”. From the result of the lack of truthfulness and honesty in the previous chapter, it appears that lack of truthfulness and honesty does not have any positive relationship with unethical advertising, but doesn't have substantial significant influence.

The result shows ( $\beta=0.079$ ,  $p>0.05$ ) to be insignificant since the significant value is above 0.05. This is due to the lack of truthfulness and honesty in unethical advertising, which is somehow not directly involved in unethical advertising. However the result from this study vary with previous study by Sristava and Nandan (2010), the previous study indicate lack of truthfulness and honesty factor have significant relationship with

unethical advertising. The result from previous study shows the  $\beta=-0.466$ , where significant relationship among them are achieve.

### **5.2.2 Offensive and Unethical Advertising**

The second the research question relates the relationship between offensive advertising and the influence in advertising become unethical. Accordingly, the hypothesis two (H2) shows, “H2: There is a significant and positive relationship between offensive advertising factor and unethical advertising according customer perspective”. The findings of the study views that there is positive and significant relationship unethical advertising ( $\beta=0.488$ ,  $p<0.05$ ). This is the value of beta in the model which expresses that the variable has the strongest influence or significant relationship with contribute advertising become unethical.

The result from this study same with previous study by Sristava and Nandan (2010), the previous study indicate offensive advertising factor have significant relationship with unethical advertising. The result from previous study shows the  $\beta=-0.738$ , where significant relationship among them are achieve.

### **5.2.3 Surrogate and Unethical Advertising**

The researcher question number three deals with the relationship between surrogate and unethical advertising in northern universities of Malaysia. Hypothesis three (H3) is “H3: There is a significant and positive relationship between surrogate and unethical



advertising according customer perspective”. From the result obtained in the previous chapter, it appears that surrogate has a positive relationship with the factor influence advertising become unethical, The findings of the study views that there is positive and significant relationship with factor influence advertising become unethical ( $\beta=0.324$ ,  $p<0.05$ ). This is the value of beta in the model which expresses that the variable has the strongest influence on unethical advertising.

The result from this study same with previous study by Sristava and Nandan (2010), the previous study indicate surrogate advertising factor have significant relationship with unethical advertising. The result from previous study shows the  $\beta=-0.463$ , where significant relationship among them are achieve.

### **5.3 Contribution of the Study**

The research study might be beneficial to many parties due to its significance to the ethical and advertising perspective; thus, the outcome provides contribution and consequences that are classified on the following sections.

#### **5.3.1 Theoretical Contribution**

The vital objective of this study is to identify the factor influence advertising become unethical and its determinants factors which are lack of truthfulness and honesty, offensive advertising and surrogate advertising mentioned in proper context, and this

helps in developing a theoretical framework that examines the relationship between the three factors stated above and unethical advertising.

From the above discussion, it is obvious that the findings of this study are highly significant to the academic researchers, students, literature as well as to businessman, advertiser or marketer. As an academic researcher, the findings of the study provide new evidence from Malaysian, and the study concerns the factors which determine advertising claim it unethical according consumer perspective.

The outcome gives a new dimension in understanding the selection criteria for advertising become unethical and its determinants. In additional, the study also provides additional knowledge for the variables, and it shows how the variables are related to the Malaysia perspective that are factor contribute advertising become unethical; however, from the literature point of view, the research gives a new proof for academician on the variables that particularly have not been tested together in other research. From a theoretical complexion, the contribution of this research study lies in determining the relationship among lack of truthfulness and honesty, offensive and surrogate advertising. The outcome clarifies the proved dimensional relationship toward factor contribute advertising become unethical; furthermore, only two out of the three dimensions has significantly influenced toward unethical advertising according Msc. Management students in University Utara Malaysia.

### **5.3.2 Practical Contribution**

In addition, the present study regarding ethical factor in advertising is very limited compared to the research that is implemented on the advertising or advertisement. Due to this, the contribution of this research paper concerning Malaysia will provide some information for the future researchers who are interested in carrying out a study on unethical advertising, particularly on (different regional according geographical area).

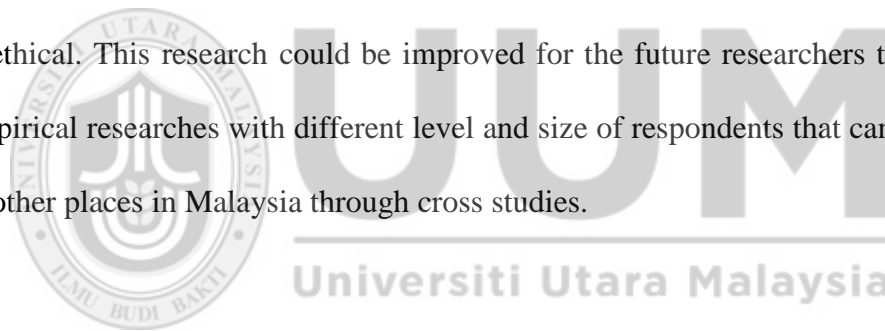
Furthermore, this study simultaneously helps to permit the previous instruments to be used regarding the factor influence advertising become unethical as well as regarding the determinants that would provide an effect toward factor influence. Besides that, the outcome is also profitable to the policy makers; thus, the results could provide inputs for policy makers in formulating related policies. As for marketer or advertiser, the outcome provides insight to the determinant factors toward Msc Management students in University Utara Malaysia when selecting factor influence advertising become unethical. The outcomes are very important to the marketer, especially in structuring their policies and strategies to attract more customers to their product or services offered by them.

### **5.4 Limitations of the study**

This study has several limitations that should be noted. Firstly, to get Msc Management student also is difficult and is kept confidential as the universities refuse to reveal, researcher believe extra time really need to our researcher. Secondly, even though the research provides valuable implication and contribution to the literature, the main

limitation is the possibilities needed for the future researchers. Not a single study is free from limitations. The third limitation is the population of the study because the researcher only focuses on the exclusive group of people in a certain location to collect the data. It is because the respondents of this research are limited only Msc. Management student. Hence, the outcome cannot be generalized to all students in University Utara Malaysia, these are the factors that affect selection factor influence advertising become unethical.

Thirdly, as the research is confined to Msc Management student in northern states of Malaysia, the result does not reflect the selection factor influence advertising become unethical. This research could be improved for the future researchers through more empirical researches with different level and size of respondents that can be involved in other places in Malaysia through cross studies.



## **5.5 Suggestions for Future Research and Recommendations**

For the study, the researcher only uses Msc Management students as population of the study in one public universities in Northern states of Malaysia (University Utara Malaysia), so it does not reflect the overall population of students in Malaysia. I hope for the studies in the future that the researchers will do a more comprehensive study in whole Malaysia covering all the states and three Federal Territories. The decision received might be better, and more accurately reflects the selection factor influence advertising become unethical. For more great research, it is better if the researcher can conduct research and more representative the whole Malaysia.

This study describes the value of R-square, which is 0.784, and the meaning of that is that those variables have influenced the respondents' when influence advertising become unethical at 78.4%. So, it can be assumed that still there are other variables than can influence advertising become unethical since there are still lack of 21.6%. For the future studies, it is hoped that researchers can add more factors that would be able to able to influence unethical in advertising. This will ensure whether there is any relationship between these factors and Islamic banking selection criteria. Finally, it is suggested that future researches will cover a comparative study between Malaysia and another country.

## **5.6 Conclusion**

The research is carried out to identify the determinants factors that influence unethical in advertising. The data collection takes place, including Msc Management students in northern states of Malaysia. Furthermore, the outcome shows that lack of truthfulness and honesty, offensive and surrogate advertising service are found to be the most influential factors on unethical in advertising. That is to say, these factors are considered to be more significant by the marketer managers because they are the key factors of ethic in marketing or advertising.

Finally, this current study is able to accomplish its objectives in studying the factor influence in advertising become unethical, and the present study provides significant implications for both theoretical and managerial. Also, the aim of this research is achieved from comprehensive perspective as well as the result of the study would be

profitable to all relevant parties, including businessman, participants of academic research students, customer, students and also policy maker.



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